

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

TRIMESTER 2, 2019/2020

### **BMR3134 – STRATEGIC MARKETING**

(All sections / Groups)

10 MARCH 2020  
9:00 a.m – 11:00 a.m  
(2 Hours)

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#### INSTRUCTIONS TO STUDENT

1. This Question paper consists of 5 pages with 4 Questions.
2. Attempt **ALL** questions. The distribution of the marks for each question is given.
3. Students are allowed to use non-programmable scientific and financial calculators.
4. Please write all your answers in the Answer Booklet provided.

## **Tiger Balm: Works Wherever It Hurts**

Tiger Balm was first created about 100 years ago in the imperial courts of China. With a vision to sell and promote this unique medicinal herbal ointment, Aw Chu Kin set sail from China to Burma, where he set up his own shop selling this ointment. Known to soothe and relieve aches and pains, the ointment lives up to its slogan, "Works wherever it hurts." Upon the demise of Aw Chu Kin, his two sons, Aw Boon Haw and Aw Boon Par, carried on his legacy and brought Tiger Balm to Singapore. Tiger Balm is now manufactured and distributed by Haw Par Healthcare. It is a household name and has grown to become one of the world's leading topical analgesics. Evolving from a single formulation to a variety of forms that are convenient to use, Tiger Balm products help to relieve conditions such as headaches, rheumatic and arthritic pains, as well as muscle strain and sprains.

### **PRODUCTS**

Tiger Balm products come in various forms—ointment, plasters, oil, spray-on, cream, and lotion. They can be classified into Tiger Balm with You at Home, Tiger Balm with You at Work, and Tiger Balm with You at Play, as illustrated in Figure 1. They come in various sizes and are mostly portable for ease of use. Uses vary across products, to provide relief for a variety of discomforts and aches.

#### ***Tiger Balm with You at Home***

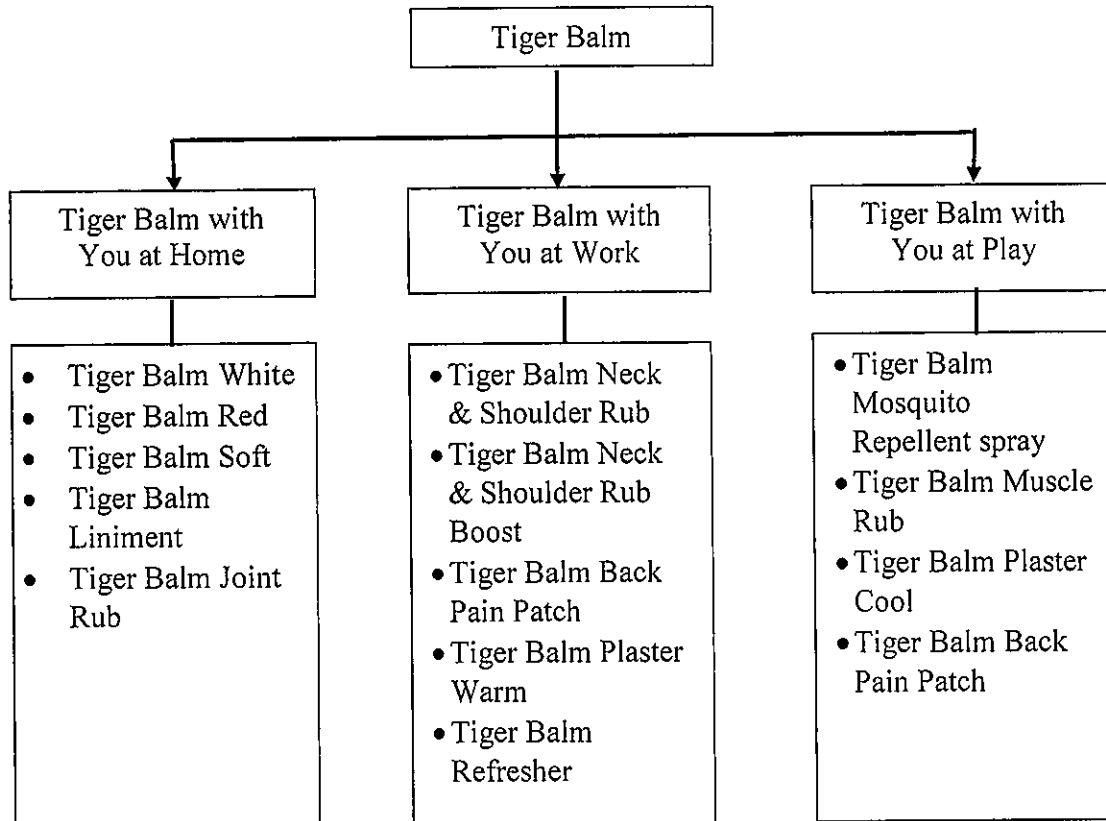
Products in the Tiger Balm with You at Home line include Tiger Balm White, Tiger Balm Red, Tiger Balm Soft, Tiger Balm Liniment, and Tiger Balm Joint Rub. Although the names of these products might sound similar, their uses tend to vary from product to product. Tiger Balm White helps to relieve headaches, stuffy nose, stomach flatulence, insect bites, itchiness, and muscle and joint aches, while Tiger Balm Red is effective in relieving muscular aches and pains and at the same time providing users with a warm and comforting feeling. The range of "Home" products created by Tiger Balm is meant for the young and old. The lavender fragrance and soft texture of Tiger Balm Soft was specially created to suit the needs of the younger generation, who likes aromatherapy.

#### ***Tiger Balm with You at Work***

Tiger Balm with You at Work products include Neck & Shoulder Rub, Neck & Shoulder Rub Boost, Back Pain Patch, Plaster Warm, and Refresher. Products in this range are created with the intention of allowing working people to relieve aches and pains in the fastest and most convenient manner, helping them relax and reduce stress. Tiger Balm

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Figure 1 : Tiger Balm products are classified into three categories that provide relief for various conditions.



Plaster Warm comes in two sizes—small and large—and aims to reduce aches and pains in different areas. The large plasters are meant for aches and pains in the lower back and shoulder blades, while the small plasters are meant for arms, legs, and joints. Tiger Balm Neck & Shoulder Rub Boost is a line extension of Tiger Balm Neck & Shoulder Rub and was introduced to meet the needs of consumers who required a stronger version of Tiger Balm Neck & Shoulder Rub. These two different versions helped Tiger Balm achieve higher visibility and brand image at the retail level.

#### ***Tiger Balm with You at Play***

The Tiger Balm with You at Play line comprises Mosquito Repellent Spray, Muscle Rub, Plaster Cool, and Back Pain Patch. These products are created with the intention of aiding sportsmen and sportswomen in recovering from injuries in the fastest possible time. They are portable and easy to use, making them the perfect choice to carry around.

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## MANAGING THE PRODUCT LIFE CYCLE

In order to continually manage its products and increase its market share, Tiger Balm has made use of three techniques. They involve modifying the product, modifying the market, and repositioning the product.

### *Modifying the Product*

Product modification involves altering a product's characteristics, such as quality, performance, or appearance to try to increase the product's sales. One way Tiger Balm modified its product was through line extension. As mentioned earlier, it created Tiger Balm Neck & Shoulder Rub Boost which was a stronger version of Tiger Balm Neck & Shoulder Rub. In this way, the company can change product characteristics to entice more consumers to try its products.

### *Modifying the Market*

A lavender scent was added to the original Tiger Balm White to create Tiger Balm Soft, which is suitable for the young. This removed the impression that Tiger Balm products are not suited for younger consumers, and the company found a new target market. Furthermore, Tiger Balm did not stop at producing ointment but continued producing plasters and cream, which promoted frequent usage of its products due to their convenience. In addition, Tiger Balm created new use situations for its products by classifying them into Home, Work, and Play. This gave consumers more reasons to use its products.

### *Repositioning the Product*

Product repositioning involves changing the place a product occupies in a consumer's mind relative to competitive products. In order to tap into a new market, Tiger Balm advertised using non-traditional forms of media such as YouTube and Google to appeal to American consumers. This form of advertising was well received, as it broke away from traditional forms of advertising such as newspapers and radio. Tiger Balm was able to reposition itself as trendy and up-to-date instead of traditional. This encouraged consumers to purchase Tiger Balm regardless of their age group. Even with a shift in the form of advertising, Tiger Balm remained focused on the usefulness of its products and made that the main message in its advertisements.

## CHALLENGES

Amidst sales growth in countries such as India, Hong Kong, China, and Thailand, it is inevitable that Tiger Balm faces challenges in the various markets that it competes in. These challenges include fighting for a market share. Brand shares for Tiger Balm

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remained at 0.8 percent in 2006 and 2007 and it was ranked number 17 in 2007 in a survey done by OTC Healthcare on the percentage breakdown of brand shares among global brand names in Singapore. Tiger Balm has to come up with new marketing campaigns and innovative ideas to promote its products to consumers and increase the percentage of its brand shares as compared to its close competitors such as Vita and Herbalife, which owned 0.9 percent of brand shares, as well as Halls and Dettol, which owned 1.0 percent in 2007.

One way Tiger Balm could promote its products is through featuring its target market using the various products created for them, allowing consumers in that target market to relate to the advertisement. Another alternative is for Tiger Balm to feature its products in drama serials shown at prime times such as 7 p.m. and 9 p.m. This will increase the credibility and improve the visibility of Tiger Balm products. Both methods will likely lead to a purchase decision by consumers.

### CONCLUSION

Even though Tiger Balm has established itself over the years, it should continue to come up with new products and at the same time improve on its current product line. This will allow Tiger Balm to remain competitive in the various markets and increase its brand shares. It should aim to expand its product line and enter into partnerships with various companies in Asian markets such as India, where there has been a substantial increase in sales. This can help increase profits, boost sales, and strengthen its market position in overseas markets.

*Source : Kerin, Hartley, Rudelius, Geok, Marketing in Asia, McGraw Hill (2009)*

### QUESTION 1

- (a) Define and describe the product mix, product width, product length and product depth of Tiger Balm. (20 marks)
- (b) Compare the product mix of Tiger Balm with any TWO (2) of its competitors. (10 marks)

### QUESTION 2

How does Tiger Balm organize its products in its communications to its customers? Does this approach make sense? How can it be improved? (30 marks)

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**QUESTION 3**

- (a) What are the 4 stages of product life cycle? Suggest and justify the stage of product life cycle for Tiger Balm's products.  
(10 marks)
- (b) Discuss FOUR (4) strategies that Tiger Balm should implement at the stage identified in Question 3 (a)?  
(20 marks)

**QUESTION 4**

Besides offering new products and modifying current products, suggest any TWO (2) strategies Tiger Balm should do to meet the challenges it faces in the Asian and global markets?

(10 marks)

(Total: 100 marks)

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